

## **FIRM BROCHURE**

### **Unio Capital LLC**

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This brochure provides information about the qualifications and business practices of Unio Capital LLC (the “Adviser”). If you have any questions about the contents of this brochure, please feel free to contact us by e-mail at [ir@uniocapital.com](mailto:ir@uniocapital.com) or by mail at 213 Carnegie Center, #3543, Princeton, New Jersey 08540. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. This brochure should be reviewed in its entirety.

The Adviser is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration does not imply a certain level of skill or training.

Additional information about the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

*Item 1 – Cover Page*

## **Item 2 – Material Changes**

The Adviser routinely makes changes that it does not view as material in order to maintain consistency with current offerings and practice or in response to evolving industry practices and that improve and clarify the descriptions of its business practice and compliance policies and procedures in its brochure.

This brochure (the “Brochure”) serves as an update to our brochure dated March 30, 2023 (the “Prior Brochure”). This Brochure contains updates to the Prior Brochure including, but not limited to, additional disclosure regarding risks.

Please note the above summary does not reflect all of the changes that have been made to this Brochure since the Prior Brochure. Recipients are encouraged to read the Brochure carefully in its entirety.

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## **Item 4 – Advisory Business**

### **A. General Description of Advisory Firm**

The Adviser, Unio Capital LLC, is a Delaware limited liability company that was formed in March 2012. It is owned by its members and controlled by John Allison (the “Principal Owner”). The board of managers of the Adviser has ultimate responsibility for its management, operations, and investment decisions.

### **B. Description of Advisory Services**

#### **1. Advisory Services**

The Adviser provides discretionary investment advisory services to (1) a private fund, Unio All-Seasons Fund LLC (the “Fund”), and (2) a variety of clients on a separately managed account (“Managed Account”) basis.

##### Fund

The Adviser serves as the investment manager and provides discretionary investment supervisory services to the Fund. The Adviser’s services are provided to the Fund pursuant to the terms of an investment management agreement between the Adviser and the Fund, which is managed in accordance with the applicable investment strategy described below in Item 8 and the methodology described in its confidential private placement memorandum and related offering documents (the “Offering Documents”). The terms applicable to investors in the Fund are detailed in the Fund’s confidential Offering Documents, which are provided to prospective investors. The Fund does not offer interests to the public. Fund interests are offered only in private placements to qualified investors.

##### Managed Accounts

Clients establish Managed Accounts with the Adviser by depositing funds or securities into separate accounts maintained by qualified independent custodians and granting the Adviser discretionary authority to invest such funds pursuant to each client's investment management agreement (“IMA”) and other account documentation with the Adviser. Clients may terminate an IMA subject to the applicable notice provisions.

*This Brochure generally includes information about the Adviser and its relationships with its clients and affiliates. While much of this Brochure applies to all of those clients and affiliates, there is information included in this document that only applies to specific clients or affiliates, as the context permits.*

#### **2. Investment Strategies and Types of Investments**

*The descriptions set forth in this Brochure of specific advisory services that the Adviser offers to clients and investment strategies pursued and investments made by the Adviser on behalf of its clients should not be understood to limit in any way the Adviser’s investment activities. The Adviser may offer any advisory services, engage in any investment strategy and make any investment, including any*

*not described in this Brochure, that the Adviser considers appropriate, subject to each client's investment objectives and guidelines. The investment strategies the Adviser pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.*

### Fund

In seeking to achieve the Fund's objectives, the Adviser may use any investment strategy, long or short, in the global marketplace that it believes will enhance overall performance, particularly over the long term, and, except as described in the Fund's Offering Documents, there are no restrictions on the securities or other financial instruments that may be used by the Fund. The Fund invests and reinvests its assets primarily within a broad range of publicly traded securities, including, without limitation, in all sectors of U.S. and non-U.S. equities, real estate investment trusts, options, exchange-traded funds, American Depositary Receipts, debt securities, which include, but are not limited to, corporate bonds, as well as U.S. Treasuries, and any other types of securities that provide exposure to various other assets, as determined by the Adviser. The Fund invests in the equity of companies generally considered to be mega- and large-capitalization companies as well as those considered to be small or medium-capitalized companies. As a group, the equity securities the Fund invests in tend to be highly liquid. The Fund may invest in investment opportunities across geographic regions but typically focuses on developed markets.

The Fund has no overarching strategy or asset allocation model that specifies what percentage of its portfolio should be invested in each investment category. The Fund may hold cash or invest in cash equivalents for short-term investments. The cash equivalents in which the Fund may invest include but are not limited to: obligations of the U.S. Government, its agencies or instrumentalities (U.S. Government Securities; U.S. Treasury Bills); commercial paper; and repurchase agreements, money market mutual funds, and certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation. The Fund's allocation among different investment categories is a function of their potential risk and reward compared with available opportunities in the marketplace. Accordingly, if the Adviser believes that there is not sufficiently good value in any securities suitable for investment of the Fund's capital, all such capital may be held in cash and cash equivalents on an ongoing basis.

To effect the Fund's investment program, the Adviser intends to concentrate the Fund's assets in a relatively limited number of investments because the Adviser believes that (1) there are a limited number of sufficiently attractive investments available in the marketplace at any one time, and (2) investing in a relatively modest number of attractive investments about which it has detailed knowledge provides a better opportunity to deliver superior risk-adjusted returns when compared with a large diversified portfolio of investments it can know less well. As a result, the Adviser intends to invest the substantial majority of the Fund's capital in no more than twenty-five (25) core investments.

### Managed Accounts

Managed Accounts are invested pursuant to a discretionary model investment strategy, typically the Unio Concentrated Equity strategy. For certain clients, the Adviser may provide one or more

variants of this strategy, which may cover a broader or different range of potential investment opportunities and securities.

The Adviser does not provide financial planning services. Clients and their consultants determine that one of the Adviser's strategies is appropriate for their circumstances. The Adviser does not advise clients on their overall financial plan, but solely advises clients as to the portion of their assets for which the Adviser has been given discretionary management, in accordance with its investment strategy. Further, the Adviser does not take into consideration clients' assets or investments outside of those assigned to its management or its recommendation. The decision to engage the Adviser's services is that of the client and/or the client's investment adviser or consultant, and therefore it is up to each client and/or investment adviser or consultant to determine whether the Adviser's investment strategy is appropriate for the client's specific situation upon considering the Adviser's strategy and its implementation, and the associated investment risks. Clients are responsible for informing the Adviser of any changes to their investment objectives, individual needs, and/or restrictions. The Adviser does not assume any responsibility for the accuracy of the information provided by the client.

In seeking to achieve each Managed Account's objectives, the Adviser may use any investment strategy that it believes will enhance overall performance, particularly over the long term and, except as described in each client's IMA, there are no restrictions on the securities or other financial instruments that may be used by the Adviser. Generally, the Adviser prefers investments in high quality US and foreign companies whose securities are publicly traded on US exchanges. Investments in US companies are typically equity securities traded in the US. US American Depositary Receipts may also be owned. The price of American Depositary Receipts may materially differ from the price of the same company's shares trades on a local exchange. Equity securities include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights, and warrants.

The Adviser has no overarching strategy or asset allocation model that specifies what percentage of a Managed Account's portfolio should be invested in each investment category. The Adviser may hold cash or cash equivalents in a Managed Account for various reasons including as a residual of model weightings, for account cash management purposes, or as a temporary defensive investment position, or when, in its opinion, market conditions limit investment opportunities meeting the standards it has established for investments. The Adviser may assume a temporary defensive position by investing all or a portion of a Managed Account's assets in cash, cash equivalents, money market instruments, or securities of other no-load mutual funds. If the Adviser invests in shares of a mutual fund, clients will bear the advisory and other fees of the mutual fund.

The Adviser generally limits Managed Account portfolios to a relatively concentrated group of investments because the Adviser believes that (1) there are a limited number of sufficiently attractive investments available in the marketplace at any one time, and (2) investing in a relatively modest number of attractive investments about which it has detailed knowledge provides a better opportunity to deliver superior risk-adjusted returns when compared with a large diversified portfolio of investments it can know less well. As a result, The Adviser intends to invest the substantial majority of each portfolio's capital in no more than twenty-five (25) core investments.

### C. Availability of Customized Services for Managed Accounts.

Though client accounts are managed independently, the Adviser uses a similar investment approach for substantially all Managed Accounts invested in each particular strategy. The Adviser manages portfolios to a model with the intention that all Managed Account portfolios invested in a particular strategy have largely the same securities with roughly similar weightings with the aim of minimizing dispersion and providing similar investment results across accounts over time.

However, not all Managed Accounts will match the relevant model investment strategy at all times. The inception date of a Managed Account may cause significant differences from the relevant model investment strategy and the differences could last for a considerable period of time. There is no set time in which a new Managed Account will match the model portfolio and there are a number of factors that could result in the holdings or weightings in a Managed Account materially differing from the holdings or weightings in the model portfolio, which include, but are not limited to:

- i. A Managed Account differing from the model investment strategy while the Adviser is executing investment changes to a model investment strategy;
- ii. Timing of contributions, distributions, and/or new account opening while the Adviser is executing changes to a model;
- iii. A Managed Account holding “legacy securities” not in the model portfolio;
- iv. A client imposing, and the Adviser accepting, a reasonable restriction on one or more security held in an account;
- v. Size of the account and its relative ability to purchase certain securities in certain weightings.

As a fully discretionary investment manager, the Adviser’s investment results depend on its exercising full discretion over its strategies. Client-imposed restrictions can cause an account to differ from the model investment strategy, which will affect investment performance. A client may impose reasonable restrictions on the management of its account, including restricting the purchase of particular securities or types of securities, provided that the Adviser accepts such restrictions and it believes the restrictions can be accommodated operationally and the portfolio can be managed consistent with those restrictions. The determination as to what is a reasonable restriction is solely the Adviser’s. Investment guidelines and restrictions must be provided to the Adviser in writing. The Adviser considers client restrictions on a case-by-case basis while reserving the right to accept or reject them in its sole discretion. The Adviser generally accepts client restrictions that are deemed reasonable in light of the strategy, internal investment guidelines, and operational setup; and rejects client restrictions that are deemed detrimental to the implementation of the investment strategy, that significantly deviate from the Adviser’s internal guidelines, or that it finds operationally burdensome. To the extent that a client imposes a restriction that would impact the Adviser’s ability to implement its strategy for that account, the Adviser reserves the right to reject, refuse to manage, or liquidate the account. Clients are responsible for notifying the Adviser of any changes to their restrictions.

When the Adviser provides its investment strategy with respect to less than all of the client’s investable assets under its purview, the objectives, risk, time horizon, and similar factors used to

inform the Adviser's model strategy will be those that apply to that portion of the client's investable assets for which the Adviser's strategy is applied. Factors applying to client assets outside of the model strategy may, and very likely will, be different. As a result, the investment performance of client assets following the fully discretionary model strategy will be different from the investment performance of client assets not following that strategy. In the same way, the investment performance of client assets in an account with a mix of the Adviser's strategy and other securities outside that strategy will be different from the performance that would have been produced if the Adviser's strategy alone had been applied to the account.

It is important to note that as the Adviser may advise clients with respect to the same or similar securities, there may be timing differences related to the transmission of advice to clients and a subsequent determination of whether to act on that advice. The Adviser may execute trades for clients in advance of it communicating with other clients (i.e., custodian issues) about those trades. As a result, these clients may receive prices that are less favorable than prices obtained for other clients. In other cases, the Adviser may decide to separate advice for types of clients (the Fund vs Managed Accounts). These client accounts may also not track the Adviser's model investment strategy.

*This section is not exhaustive of all possible reasons why a Managed Account may not match the relevant model investment strategy.*

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The Adviser generally does not participate in class-actions.

The Adviser does not participate in wrap-fee programs.

All accounts are managed on a discretionary basis. As of December 31, 2023, the Adviser had approximately \$219,755,889 in regulatory assets under management. The Adviser does not manage assets on a non-discretionary basis.

This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Fund are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933 and other applicable state, federal, or non-U.S. laws. Significant suitability requirements apply to prospective investors in the Fund. Persons reviewing this Brochure should not construe this as an offer to sell or a solicitation of an offer to buy the securities of the Fund described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

## **Item 5 – Fees and Compensation**

Detailed below is a brief summary of certain fees and expenses paid by clients. Investors and prospective investors in the Fund should review the Fund's Offering Documents and other constituent materials for an additional discussion of fees and expenses with respect to the Fund.

In addition, certain investors in the Fund also pay performance-based compensation to the manager of the Fund, UASF LLC (the “Manager”), a Delaware limited liability company and an affiliate of the Adviser.

Clients whose accounts predate this disclosure document may be subject to pre-existing fee arrangements which may differ from the below schedule. Clients the Adviser may advise in the future may bear different fees than those described herein.

### **Fund**

For its investment advisory services to the Fund, the Adviser receives a management fee based on the value of the Fund on the last day of each calendar quarter (March 31, June 30, September 30, and December 31). The fee is paid quarterly in advance at the rate of 1.00% annually (0.25% quarterly). Fees are deducted by the custodian of the Fund and remitted to the Adviser. Except as otherwise provided in the Offering Documents, investors have the right to request partial or total withdrawals from their capital accounts as of the last business day of each calendar month or at such other times as the Manager determines in its sole discretion, provided that notice of such withdrawal is received by the Fund’s administrator at least sixty (60) days prior to such relevant withdrawal date. Any balance of the fee reimbursable to an investor is calculated by the number of days in the quarter remaining after the completion of the notice period as a percentage of the total days in that quarter multiplied by the fee paid at the beginning of the quarter.

Investors in the Fund may pay other fees such as custodial fees or cash management fees paid directly to those providing the service. Investors in the Fund will incur brokerage and related transactions costs (see Item 12) for the purchase and sale of their securities in the Fund. To the extent that the Fund purchases hedges by going short, or leverages, investors will pay interest on short or leveraged positions either in currencies or in securities representing market indices. If the Fund purchases securities such as ETFs to effect its short strategies, investors would pay a fee to the sponsor of those securities. In all the aforementioned cases, investors pay fees to parties other than the Fund or its affiliates.

The Manager, the Adviser, and/or their affiliates will advance the organizational costs of the Fund and are entitled to reimbursement from the Fund for all amounts expended by them on behalf of the Fund in connection with the organization of the Fund. Such organizational costs and expenses will be treated in accordance with the U.S. Generally Accepted Accounting Principles (“GAAP”), although the Manager may elect to modify its treatment of costs and expenses in accordance with the needs of the Fund, including, without limitation, the amortization of organizational costs and expenses over a sixty (60) month period. To the extent this results in a qualified audit opinion, the Manager may elect to expense such costs as incurred. In the event that the Fund amortizes its expenses and terminates before such expenses are fully amortized, the unamortized portion of the organizational expenses will be debited

against Fund capital at that time, thereby decreasing amounts otherwise available for distribution to investors.

Effective October 1, 2017, the Fund is not subject to any expense cap. The Fund shall be responsible for its ongoing costs and expenses associated with its administration and operation (excluding the management fee). Such costs include, but are not limited to, government fees, if any, research expenses, fund administration, brokerage commissions, valuation agents, telephone calls, investment-related consultants and other service providers expenses, investment-related travel costs, expenses incurred with respect to the preparation, duplication and distribution to investors and prospective investors offering documents, its pro rata share of master fund costs (if any), annual reports and other financial information, insurance premiums of the Fund, the Manager and/or the Adviser (including insurance premiums with respect to any of their principals, partners, officers and directors), printing costs, and all tax, accounting (and audit) and legal fees, and similar ongoing operational expenses of the Fund. The capital accounts of all investors will be charged accordingly. Fees and expenses that are identifiable with a particular class of interests (if any) may, in the Manager's sole discretion, be charged against that class in computing its net asset value.

The Manager, the Adviser, and any affiliates retained by them may be reimbursed for certain expenses incurred on behalf of the Fund. Such reimbursable expenses shall not include any expense attributable to its provision of office personnel, space required for the performance of their services, maintenance of books and records, and other general and overhead operating expenses.

The Manager may receive a performance-based fee from certain investors in the Fund. Such performance-based fee is a percentage of the excess of the net capital appreciation, in excess of a "hurdle," allocated to the capital account of certain Fund investors for the relevant period and are typically subject to a high water mark or recoupment of a loss recovery account. The performance-based fees are typically determined and charged on an annual basis but will be determined and charged for shorter periods under certain circumstances (such as, upon withdrawals from the Fund). Performance-based fees are paid to the Manager directly from the assets of the Fund. Investors in any pooled investment fund that the Adviser may advise in the future may bear different fees than those described herein.

#### Managed Accounts

For its investment advisory services to Managed Accounts, the Adviser receives an asset-based management fee for account assets on the last day of each calendar quarter (March 31, June 30, September 30, and December 31). The fee is paid quarterly in advance at the rate of 1.00% annually (0.25% quarterly) subject to a minimum fee as specified in the Adviser's IMA with each respective client. In general, the Adviser's minimum fee for each Managed Account is \$10,000 annually (\$2,500 quarterly). Such minimum fee may be waived or reinstated at the Adviser's sole discretion.

Management fees are charged based on the total market value of the assets in the Managed Account including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest on the last day of the quarter or other frequency as set forth in the IMA between the Adviser and the client.

The Adviser will submit to a client's custodian a bill for management fees each quarter, and the custodian will deduct the Adviser's management fees from those individual clients' custodial accounts.

In general, if the Adviser serves for less than the whole of any quarter, as specified in its IMA with each respective client, it may return to the client the unearned balance of any prepaid quarterly fees contingent on the client satisfying its obligations, which may include but are not limited to: (i) providing written notice to the Adviser, (ii) paying fees due for the entirety of the notice period (regardless of whether assets were removed from the Managed Account during the notice period), and (iii) having paid cumulative management fees to the Adviser for the preceding four quarters in an amount greater than the minimum annual fee (regardless of any fee waivers granted by the Adviser).

Clients may pay other fees such as custodial fees or cash management fees paid directly to those providing the service. Clients will incur brokerage and related transactions costs (see Item 12) for the purchase and sale of their securities. To the extent the Adviser purchases securities such as ETFs, clients will pay a fee to the sponsor of those securities. In all the aforementioned cases, clients pay fees to parties other than the Adviser.

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The Adviser, at its discretion, may offer different management fee and performance-based compensation schedules to clients (including investors in the Fund) based on a variety of factors, including, among other things, the nature of investments and length of relationship with the Adviser or related persons. In addition, the Adviser, its partners and related entities, and their respective partners, directors, and employees may invest in the Fund without being subject to any management fees or performance-based compensation.

Except for the sale of units in the Fund, the Adviser and its supervisory personnel do not sell securities or other investment products. And neither the Adviser nor any of its supervised persons accepts compensation (e.g., brokerage commissions) for the sale of securities or other investment products.

See Item 12 of this Brochure for additional information regarding the Adviser's brokerage practices.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

As stated in Item 5 above, the Adviser and the Manager may receive performance-based fees or allocations from certain clients. These payments are subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fees, in general, may create an incentive for the Adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee.

The Adviser manages multiple clients with similar investment strategies on a side-by side basis. As a result, the Adviser, its principal(s), and/or affiliate(s) may have conflicts of interest in: (i) allocating their time and activity among the multiple clients; (ii) allocating investments among the multiple clients; and (iii) effecting transactions among the multiple clients, including ones in which the Adviser, its principal(s), and/or affiliate(s) may have a greater financial interest. These conflicts of interest may create an incentive for the Adviser to favor a client in which the Adviser, its principal(s), and/or affiliate(s) have a greater financial interest with respect to allocation of time and activity, limited investment opportunities, or investments that the Adviser regards as more attractive or better performing investments.

To address these conflicts of interest, the Adviser has implemented policies and procedures to ensure that all clients receive equitable and fair treatment over time with respect to the allocation of investment opportunities. These policies and procedures require the Adviser to at all times allocate investments among the clients in a manner which it believes to be fair and equitable and prohibit the Adviser from basing an allocation decision on any of the following, or similar, reasons: (i) to generate higher fees paid by one client over another, or to produce greater fees to the Adviser or any of its affiliates; (ii) to develop a relationship with an existing or potential investor in a client; (iii) to compensate an investor in a client for past services or benefits rendered to the Adviser or any employee of the Adviser; or (iv) to induce future services or benefits to be rendered to the Adviser or any employee of the Adviser.

## **Item 7 – Types of Clients**

The Adviser provides investment advice to the Fund and Managed Account clients such as individuals, high-net-worth individuals, trusts, estates, institutions, and other business entities among others, as noted in Item 4 above, and may advise different types of clients in the future.

### **Fund**

The Adviser provides investment advice directly to the Fund and not individually to the investors of the Fund. In addition, investors in the Fund should generally be (i) “accredited investors” within the meaning of the rules and regulations promulgated under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or qualify as other types of investors under applicable U.S. or non-U.S. securities laws, and/or (ii) “qualified purchasers” or “knowledgeable employees” of the Adviser or its affiliates within the meaning of the rules and regulations promulgated under the Investment Company Act of 1940, as amended (the “Company Act”), and meet other eligibility criteria established by the Manager.

Generally, the minimum initial amount for an investment in the Fund is \$1,000,000, subject to the discretion of the Manager. The Fund’s investors may consist of one or more of the following: individuals; pension and profit-sharing plans; financial institutions (including funds of funds); trusts; university endowments; charitable organizations; and corporations or other business entities. The Adviser will not be engaged as an investment adviser to advise prospective investors as to the appropriateness of investing in the Fund.

### **Managed Accounts**

Generally, there is a \$5,000,000 minimum for Managed Accounts provided, however, the Adviser may, at any time, waive such minimums in its sole discretion and accept a lesser amount. Certain legacy client accounts have lower account sizes. Further, business considerations may in certain cases lead to exceptions to this policy. For example, the Adviser may group, in its discretion, certain Managed Accounts for the purposes of achieving the minimum account size.

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From the time the Adviser's SEC registration became effective, investors in the Fund and Managed Account clients that compensate it based on performance must be “qualified clients” as defined in Rule 205-3 under the Advisers Act or be grandfathered pursuant to SEC rulemaking.

## **Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss**

The Adviser is a concentrated, fundamental, long-term investor in the public markets, whose approach to analyzing potential investment opportunities is predicated on incisive primary research and deep understanding of underlying business economics.

In general, the Adviser's investment objective across all strategies is to seek maximum, long-term capital appreciation commensurate with reasonable risk. The Adviser defines risk as the probability of a permanent loss of capital, rather than price volatility.

### **A. Methods of Analysis and Investment Strategies**

*The methods of analysis and investment strategies the Adviser pursues entail substantial risks, and no assurance can be given that the investment objective of any client or investor will be achieved. The information contained in this disclosure document cannot disclose every potential risk associated with every model investment strategy, or all of the risks applicable to a particular client account. Rather, it is a general description of the nature and risks of the model investment strategies and securities purchased, sold and/or traded in client accounts. In addition, investors in the Fund should carefully review the Offering Documents and related materials for additional information about risks associated with its strategy.*

The Adviser's investment process across all strategies consists of a combination of bottom-up fundamental research and a systematic valuation methodology that links security analysis to macroeconomic analysis. In general, the Adviser does not attempt to "time" the market or predict overall macroeconomic trends. Instead, it focuses on owning quality companies with strong managements whose long-term fundamentals it believes to be underestimated and inefficiently valued by the markets. The Adviser's investment strategies seek to strike a balance between reducing risk and enhancing returns over the long-term. The Adviser's strategies draw from the same universe of investment ideas and the same fundamental and valuation methodology for evaluating those ideas. The Adviser believes this approach allows for the continuous and thorough evaluation of all accounts and all holdings. In general, the Adviser's investment time horizon is multi-year.

The Adviser operates with one investment philosophy for its long holdings across its principal investment strategies. Its investment strategies are generally driven by a research-intensive, fundamental bottom-up process and draw upon the work of a centralized research team that reviews and analyzes quantitative, qualitative, and other data and applies the team's country and industry knowledge while also taking into consideration macroeconomic and market conditions.

The Adviser invests primarily in what it believes to be quality companies with strong business franchises, relatively low business risk, and proven cash-flow generation. It seeks investments in companies whose long-term earnings power is underestimated and represent good values.

Although the Adviser has adopted informal guidelines on diversification, those guidelines are subject to change by the Adviser, and there are no limits on the Adviser's investment discretion that require diversification by issuer, industry, or market or that impose position size limitations. At any given time, it is therefore possible that the Adviser's portfolios will be concentrated in a particular market or

industry, or in a limited number or type of securities. The same securities may be owned, bought, and sold at the same or different times in multiple strategies but for different reasons.

## B. Material Risks

*The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by the Adviser. These risk factors include only those risks the Adviser believes to be material, significant, or unusual and relate to particular significant investment strategies or methods of analysis employed by the Adviser. Additional risks and uncertainties not currently known to the Adviser or that the Adviser currently believes to be immaterial may also materially and adversely affect the Adviser's investment strategies and the value of investments in the clients. Please refer to the Fund's Offering Documents for a more complete description of the risk factors applicable to an investment in the Fund. Prospective clients and investors should read this entire Form ADV and all accompanying materials provided by the Adviser and consult with their own advisors before deciding whether to invest in the strategies. In addition, as the strategies develop and change over time, an investment in the strategies may be subject to additional and different risk factors.*

Depending on the investment strategy and the type of financial instruments used at any given time to implement that strategy, advisory clients and investors in the Fund may face the following material investment risks:

*Risk of Loss.* Investing in equities by its nature involves risk and clients and investors should only invest if they are aware of and willing to bear risk. Any investment activity, including investing in securities, involves risk of loss that clients should be prepared to bear. All investments carry the risk of loss, including complete loss, and there is no guarantee that any investment strategy will meet its investment or risk management objectives. Any past success of a particular investment strategy or methodology does not imply or guarantee future success. Although the Adviser attempts to manage these risks through careful research, ongoing monitoring of investments, and appropriate hedging techniques (where permissible), there can be no assurance that the securities and other instruments purchased that are the focus of its strategies will increase in value or that portfolios will not incur significant losses.

*Economic Risk.* Although the global economy has improved since 2008, the effects of the global financial crisis continue and economic growth has been slow and uneven. The negative impact and uncertainty due to the sovereign debt crisis in Europe has impacted and may continue to impact the global economic recovery. In addition, the war in Ukraine which began in 2022 has opened a new set of geopolitical risks including, but not limited to, the potential for Russian default on its FX denominated debt due to economic sanctions, higher inflation, shortages of materials, higher commodities prices, cybersecurity attacks on infrastructure and private business, and growing political instability in Europe and elsewhere in the world. The risk that Russia and Ukraine escalate hostilities further adds to the economic uncertainties and the potential for spill over into the global economy via several channels including through the financial system. These events and possible continuing market turbulence may have an adverse effect on the Adviser's model investment strategy and any and all client accounts. In response to the global financial crisis, the US government, the Federal Reserve, and other governments and other foreign central banks took steps to support financial markets. However, risks to growth persist: the growing size of the federal budget deficit and national debt, and the threat of inflation. A number of countries have experienced, and continue to experience, severe economic and financial difficulties. Many

non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe, Asia and elsewhere have experienced extreme volatility and declines in asset values and liquidity. There is continued concern about national-level support for the euro and the accompanying coordination of fiscal and wage policy among European Economic and Monetary Union (“EMU”) member countries. There are also many risks with respect to “Brexit,” the United Kingdom’s withdrawal from the European Union. The first is the psychological impact on consumers and investors created by the uncertainty of the situation. The second concern is the actual economic impact of the withdrawal from the Union. There is also the risk that other nations might withdraw from the EU. This list is not exhaustive of all possible risks associated with Brexit. A return of unfavorable economic conditions could impair the Adviser’s ability to execute on its model investment strategy and in client accounts. Therefore, such issues could lead to losses on investment opportunities for the strategy and any client account and otherwise could prevent the Adviser from successfully executing its investment strategies or require its strategies or any client account to dispose of investments at a loss while such adverse conditions prevail.

*Market Risk and Liquidity.* General economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws, trade barriers, currency fluctuations and controls, and national and international political circumstances can materially affect a client’s account. For example, any of these factors may affect price volatility and the liquidity of instruments held in a client’s account. Even an instrument that generally is, or recently was, liquid may unexpectedly and suddenly become illiquid. Such volatility of illiquidity could result in substantial losses.

*Long-Term.* The success of a client’s long-term investment strategy depends upon the Adviser’s ability to identify and purchase securities that are undervalued and hold such investments so as to maximize value on a long-term basis. In pursuing any long-term strategy, the Adviser, on behalf of its clients, may forego value in the short-term or temporary investments in order to be able to avail clients of additional and/or longer-term opportunities in the future. Consequently, clients may not capture maximum available value in the short-term.

*Equity Instruments.* Investments in equity securities generally involve a high degree of risk. Stock prices are volatile and change daily, and market movements are difficult to predict. Movements in stock prices and markets may result from various factors, including those affecting individual companies, sectors, or industries. Such movements may be temporary or last for extended periods. The price of an individual stock may fall or fail to appreciate, even in a rising stock market. A client could lose money due to a sudden or gradual decline in a stock’s price or due to an overall decline in the stock markets generally.

*Growth Stocks.* In particular, “growth” stocks can have relatively high valuations, which, among other things, may result in the prices of growth stocks being more sensitive to changes in current or expected earnings than prices of other stocks. Accordingly, investing in growth stocks can be more risky than investing in a company with more modest growth expectations.

*Management.* The Adviser's judgments regarding the attractiveness, value, or potential appreciation of a particular asset class or investment instrument may be incorrect and there is no guarantee that any asset class or instrument will perform as it expects. The Adviser may fail to implement a strategy as intended or may not identify all risks associated with a strategy or a shift in strategy, all of which may cause substantial losses. In addition, the Adviser's ability to manage client assets is largely dependent on the talents and efforts of highly skilled individuals. Competition in the financial services industry for qualified employees is intense. The Adviser's continued ability to manage client assets effectively depends on its ability to retain and motivate its employees. Moreover, there is no prohibition on its employees or principals resigning or retiring.

*Small- and Mid-Capitalization Companies.* Typically, the Adviser's portfolios are composed of large-capitalization companies. However, depending on the investment strategies the Adviser uses to manage a client's account, it may invest a portion of the client's account in smaller and less established companies (i.e., small-capitalization and mid-capitalization companies). These smaller companies may present greater opportunities for capital appreciation, but typically are more volatile and involve greater risk than companies that are larger and more established. Such smaller companies may have limited product lines, markets, or financial resources and their securities may trade less frequently and in more limited volumes than the securities of larger, more mature companies. As a result, the prices of the securities of such smaller companies may fluctuate to a greater degree than the prices of the securities of other issuers and these companies may be more likely to fail, which could result in substantial losses.

*Institutional Risk.* The institutions, including brokerage firms and banks with which the Adviser's advised accounts directly or indirectly do business, or to which securities are entrusted for custodial and prime brokerage purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations and may become subject to legal, regulatory, reputational, and other unforeseen risks that could have a material adverse effect on the activities and operations of its accounts. Prime brokers engaged by its accounts may experience financial difficulties, and its accounts might therefore be exposed to similar or other financial problems resulting from the insolvency or financial difficulties of one or more of its accounts' prime brokers. The accounts may, from time to time, purchase, sell, or lend securities through either a U.S. prime broker and have assets held at accounts of such prime broker or its non-U.S. affiliate. If the account's assets are held at a U.S. prime broker, in the event of the bankruptcy or insolvency of such prime broker, even if assets are segregated, the account is subject to the risk that it will not receive a complete return of those assets. Under SEC rules, the prime broker must segregate "fully paid" customer securities and "excess margin securities" for the benefit of customers. In addition, pursuant to the SEC reserve formula, the prime broker must place customer funds in a segregated account for the benefit of customers to assure that there will be sufficient assets to satisfy all customer claims. Nonetheless, except with respect to physical securities held in the account's name, the account will not have a right to the return of specific assets but rather will generally have a claim based on the net equity in its account. Not all activities or transactions conducted with the prime broker are subject to these customer protection rules.

*Dependence on Employees of the Adviser.* The success of each of the Adviser's strategies depends in substantial part on the skill and expertise of the portfolio managers and other professionals employed by the Adviser. There can be no assurance that its portfolio managers and such other

professionals will continue to be employed by it throughout the life of a specific strategy. The loss of a portfolio manager and other professionals could have a material adverse effect on the account(s) that they cover.

*Potential Conflicts of Interest.* The Adviser manages different investment strategies which present the possibility of overlapping investments, and thus the potential for conflicts of interest. If any matter arises that the Adviser determines in its good faith judgment constitutes an actual conflict of interest between accounts, it may take such actions as may be necessary or appropriate to prevent or reduce the conflict. Please see Item 11 below for further discussion of possible conflicts of interest.

*Concentration of Investments.* Investments are expected to be concentrated in relatively few companies, industries, or markets. Such non-diversification would make a client more susceptible to risks associated with a single economic, political, or regulatory occurrence than a more diversified portfolio might. Such client could be subject to significant losses if it holds a relatively large position in a single company, industry, market, geographical area, country, or a particular type of investment that declines in value, and the losses could increase even further if investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

*Non-U.S. Investments.* The Adviser may invest client accounts in instruments issued by non-U.S. companies and governments, including those in developing nations and emerging markets. Such investments involve a number of risks not usually associated with investing in securities of U.S. companies or the U.S. government. Those risks include, among other things, trade balances and imbalances and related economic policies, currency exchange rate fluctuations, imposition of exchange control regulation, withholding taxes, limitations on the repatriation of funds or other assets to the U.S., possible nationalization of assets or industries, political difficulties and political instability, any of which could lead to substantial losses.

*American Depositary Receipts and Global Depositary Receipts.* American Depositary Receipts (“ADRs”) are receipts issued by a U.S. bank or trust company evidencing ownership of underlying securities issued by non-U.S. issuers. ADRs may be listed on a national securities exchange or may be traded in the over-the-counter market. Global Depositary Receipts (“GDRs”) are receipts issued by either a U.S. or non-U.S. banking institution representing ownership in a non-U.S. company’s publicly traded securities that are traded on non-U.S. stock exchanges or non-U.S. over-the-counter markets. Holders of unsponsored ADRs or GDRs generally bear all the costs of such facilities. The depository of an unsponsored facility frequently is under no obligation to distribute investor communications received from the issuer of the deposited security or to pass through voting rights to the holders of depositary receipts in respect of the deposited securities. Investments in ADRs and GDRs pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks relating to the underlying shares, which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds, political or social instability or diplomatic developments that could affect investments in those countries, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding the underlying shares of ADRs and GDRs, and non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and

requirements comparable to, or as uniform as, those of U.S. companies. Such risks may have a material adverse effect on the performance of such investments and could result in substantial losses.

*Business and Regulatory Risks of Alternative Asset Managers.* Legal, tax, and regulatory changes could occur that may adversely affect the Adviser's investment strategies. The legal, tax, and regulatory environment for alternative investments is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by some politicians, regulators, and market commentators may adversely affect the ability of the Adviser's accounts to pursue their investment strategy, the Adviser's ability to obtain leverage and financing, and the value of investments held by the Adviser's accounts. In recent years, market disruptions and the dramatic increase in the capital allocated to alternative investment strategies have led to increased governmental as well as self-regulatory scrutiny of the alternative investment fund industry in general, and certain legislation proposing greater regulation of the industry periodically is considered by the governing bodies of both U.S. and non-U.S. jurisdictions (including the European Union). It is impossible to predict what, if any, changes may be instituted with respect to the regulations applicable to the Adviser, the accounts, the markets in which the Adviser trades and invests, the investors in the Fund or the counterparties with whom the Adviser does business, or what effect such legislation or regulations might have. There can be no assurance that the Adviser, and the accounts will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of the accounts to implement their investment strategy could have a material adverse impact on the account's portfolio. To the extent that the account or the account's investments are or may become subject to regulation by various agencies in the United States, Europe (including the United Kingdom), or other countries, the costs of compliance will be borne by the respective account. Finally, the SEC and other various U.S. federal, state, and local agencies may conduct examinations and inquiries into, and bring enforcement and other proceedings against the Adviser, and its accounts. The Adviser and its accounts may receive requests for information or subpoenas from the SEC or other state, federal, and non-U.S. regulators (as well as from self-regulatory organizations and exchanges) from time to time in connection with such inquiries and proceedings and otherwise in the ordinary course of business. These requests may relate to a broad range of matters, including specific practices of the Adviser and the securities in which the Adviser invests on behalf of its clients or industry-wide practices. The costs of any such increased reporting, registration, and compliance requirements may be borne by the accounts and may furthermore place the accounts at a competitive disadvantage to the extent that the Adviser or portfolio companies are required to disclose sensitive business information.

*Short Selling.* Short selling can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no absolute guarantee that securities and/or currencies necessary to cover a short position will be available for purchase. Purchasing securities to close out a short position can itself cause the price of the relevant securities to rise further, thereby exacerbating the loss.

There is also a risk that the securities borrowed in connection with a short sale must be returned to the lender of such securities on short notice. If a request for the return of borrowed securities occurs at a time when other short sellers of the securities are receiving similar requests, a short squeeze can occur, and it may be necessary to replace borrowed securities previously sold short with purchases on

the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the securities short.

*Legal and Regulatory Environment.* Changes in the regulation of investment advisers and their trading and investing activities may have a material adverse effect on the Adviser's ability to pursue its investment strategy, impose additional costs on a client portfolio, and limit the anticipated return on certain investments.

*Cybersecurity and Identity Theft.* Security breaches and other disruptions of information and technology networks could compromise information and intellectual property and expose the Adviser and its accounts to liability, reputational harm, and significant regulatory investigation and remediation costs. In the ordinary course of business, the Adviser and its affiliates collect and store sensitive data, including proprietary business information and intellectual property, and personal information of employees, clients, investors, and other natural persons, in data centers and on third party cloud services. The secure processing, maintenance and transmission of this information are critical to operations. Although the Adviser has implemented policies procedures, takes various measures, and has made and will continue to make investments to ensure the integrity of its systems and to safeguard against such failures or security breaches, there can be no assurance that these policies, procedures, measures, and investments will provide complete protection. There is also the risk that a security breach may not be detected for an extended period of time. Despite the Adviser's security measures, its information technology and infrastructure may be vulnerable to attacks by third parties or breached due to employee error, malfeasance, or other disruptions. In addition, the Adviser and its employees may be the target of fraudulent emails or other targeted attempts to gain unauthorized access to proprietary or sensitive information.

A significant actual or potential theft, loss, corruption, exposure, fraudulent use or misuse of client, employee or other personal information or proprietary business data, whether by third parties or as a result of employee malfeasance or otherwise, non-compliance with the Adviser's contractual or other legal obligations regarding such data or intellectual property or a violation of the Adviser's privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation, or regulatory actions. Such an event could additionally disrupt operations and the services the Adviser provides to clients and investors, damage its reputation, result in a loss of a competitive advantage, impact its ability to provide timely and accurate financial data and cause a loss of confidence in its services and financial reporting, which could adversely affect its business and the accounts to which it provides investment advisory services.

*Systems and Operational Risks Generally.* On a daily basis, the Adviser relies on accounting, order management and other systems that are critical to its business activities. In addition, its activities will be dependent upon systems operated by third parties, including market counterparties and other service providers. The Adviser may not be in a position to verify the risks or reliability of such third-party systems. Failures in its systems or in systems employed by third parties on which it relies could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Such failures may also result in the disruption of the Adviser's business, which in turn, may lead to financial loss, liability to third parties, regulatory

intervention, or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on a client portfolio.

*Catastrophe Risks.* Clients may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters (which may be caused, or enhanced in frequency and severity, by climate change factors); war, terrorism and other armed conflicts; cyberterrorism; major or prolonged power outages or network interruptions; and public health crises, including infectious disease outbreaks, epidemics and pandemics. To the extent that any such event occurs and has a material effect on global financial markets or specific markets or issuers in which clients invest (or has a material negative impact on the operations of the Adviser or its service providers), the risks of loss can be substantial and could have a material adverse effect on client investments therein. Furthermore, any such event may also adversely impact the financial condition of one or more Fund investors, which could result in substantial withdrawal requests by such investors as a result of their individual liquidity situations and irrespective of Fund performance.

*Climate Change-Related Risks.* The environmental effects of climate change, including rising temperatures, extreme weather, fires, flooding, erratic weather fluctuations, agricultural failures and displacement and destabilization of human populations, could have materially adverse effects on the securities held by the clients. The Adviser believes that such risks may increase over time, although the time period over which these consequences might unfold is difficult to predict.

In addition to the physical, economic and geo-political risks associated with climate change, there are transition risks. The willingness of certain governments, industries and businesses, especially those that profit from, or have a reliance on, fossil fuels, to adapt to climate change or transition to sustainable practices may also adversely affect the securities.

Regulatory changes and divestment movements tied to concerns about climate change could adversely affect the value of certain industries whose activities or products are seen as accelerating climate change, or ill-positioned in light of the economic and social demands imposed by climate change. In recent years, certain investors have incorporated the business risks of climate change and the adequacy of companies' responses to climate change as part of their investment theses. These shifts in investing priorities may result in adverse effects on the trading price of securities if investors determine that the company has not made sufficient progress on climate change and environmental sustainability matters whether or not climate change proves to be as severe as predicted or preventable.

The values of securities whose performance is linked to assets and revenue streams that are exposed to climate change risk, may readily be affected by both long-term, systemic effects of climate change, as well as severe environmental events whose occurrence is inherently unpredictable.

*Coronavirus and Public Health Emergency Risks.* In December 2019, a novel and highly contagious form of coronavirus ("COVID-19") surfaced in Wuhan, China. As the disease spread around the world, the World Health Organization declared it a pandemic. The outbreak of COVID-19 resulted in numerous deaths, and temporarily affected adversely global commercial activity, and also contributed to significant volatility in certain equity and debt markets. Many countries reacted by instituting quarantines, prohibitions on travel, and the closure of offices, businesses, schools, retail stores, and other public

venues. Businesses also implemented similar precautionary measures. Such measures, created significant disruption in supply chains and economic activity and had an adverse impact on many industries. The impact of COVID-19 continues to be felt as countries struggle to contain the virus and its variants. The short term and long term impact on the operations of the Adviser and its clients' investments is difficult to predict.. As COVID-19 continues to spread, the potential impacts, including a global, regional, or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19 or other existing or new epidemic diseases (including, without limitation, those similar to COVID-19, SARS, H1N1/09 flu, or MERS), or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on the Adviser, the pricing and fair value of its investments, and could adversely affect the Adviser's ability to fulfill its respective investment objectives.

The extent of the impact of any public health emergency on the operational and financial performance of the Adviser and its investments will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the development and distribution of treatments and vaccines, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence, unemployment and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted.

### **Item 9 – Disciplinary Information**

The Adviser is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management.

There are no legal or disciplinary events or facts that are material to a client's or prospective client's evaluation of the Adviser's advisory business or the integrity of its management, nor have there ever been.

## **Item 10 – Other Financial Industry Activities and Affiliations**

The Adviser and its management persons do not participate in other financial industry activities. No management persons of the Adviser have relationships or arrangements with financial industry participants that may be material to the Adviser's advisory business or clients. The Adviser is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.

Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the Adviser.

The Adviser is responsible for all decisions regarding portfolio transactions of the Fund and has full discretion over the management of the Fund's investment activities. Employees and persons acting on behalf of the Manager are subject to the supervision and control of the Adviser. Thus, the Manager, all of its employees and the persons acting on its behalf would be "persons associated with" the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the Manager.

The Adviser does not receive any compensation for the recommendation of other investment advisers to its clients.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

The Adviser has adopted a written Code of Ethics (the “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act, and will provide a copy to any client or prospective client upon request. The major areas that are covered in the Code of Ethics are summarized below. The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that ensure that all personal securities trading by employees of the Adviser is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Adviser prohibits personal trading on certain securities or instruments; requires pre-clearance of purchases of an initial public offering (“IPO”) or a new private placement; requires periodic reporting of employees’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations. As part of its Code, the Adviser has established procedures to prevent the abuse of material, nonpublic information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Clients and prospective clients may request a copy of the Code by contacting the Adviser at the mailing address listed on the first page of this document. All personnel have acknowledged and have agreed in writing to adhere to the Code of Ethics and to have read and understood the Adviser’s compliance policies and Compliance Manual. All personnel are required to make such acknowledgments and agreements on an annual basis. A signed attestation is retained.

The Adviser may, from time to time, take a position in a security in which the Adviser or one of its related persons, directly or indirectly, has an interest. For instance, it may be expected that the assets of one or more Managed Accounts will be invested in securities of issuers in which the Fund holds positions. In addition, the Fund’s assets may be invested in securities of issuers in which one or more of the Managed Accounts hold positions. Given the likelihood of such an occurrence, clients will not be notified of such occurrences. These practices may give rise to conflicts of interest.

The Adviser’s employees and persons associated with the Adviser are required to adhere to the Code. Subject to satisfying this policy and applicable laws, officers, directors, and employees of the Adviser and its affiliates may trade for their own accounts in securities which are traded for the Adviser’s clients. The Code is designed to assure that the personal securities transactions, activities, and interests of the employees of the Adviser will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions based upon a determination that these would not interfere materially with the best interest of the Adviser’s clients. In addition, the Code requires pre-clearance of certain transactions. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code to reasonably prevent conflicts of interest between the Adviser and its clients. Any personal securities transactions traded outside of the Adviser must be pre-cleared with the Adviser’s Chief Compliance Officer.

Please refer to Item 12 of this Brochure for a description of the Adviser’s trade aggregation and allocation procedures.

## **Item 12 – Brokerage Practices**

### **Best Execution**

The Adviser has complete discretion in selecting the broker that it uses for transactions and the commission rates that clients pay such brokers. The Adviser's overriding objective in effecting portfolio transactions is to seek to obtain best execution for its clients' securities transactions. It is not necessary to select the broker offering the lowest commission rate. The Adviser may cause a client account to pay a broker a commission in excess of that which another broker might have charged for effecting the same transaction in recognition of the value of the brokerage and other services provided by the broker; its knowledge of actual or apparent operational problems of any broker or dealer; the broker's or dealer's execution services rendered on a continuing basis and in other transactions; the reasonableness of spreads or commissions; and the research services and products furnished by the broker or dealer, if any.

### **Allocations**

The Adviser will at all times allocate investments among the accounts of its clients in a manner which it believes to be fair and equitable. The Adviser generally trades with a broker using widely available algorithmic trading functions that produce a certain trading outcome the Adviser seeks such as, for example, receiving a volume weighted average price for the day in which a security is bought or sold.

As a general practice and consistent with its managing accounts to a strategy model, the Adviser aggregates orders and allocates them on a pro rata average-price basis to all accounts. Uncompleted trades are allocated on the same basis to all accounts on the following day(s) in which they are executed.

The Adviser may in its discretion aggregate orders for its clients; however, the Adviser is not required to aggregate orders. For example, the Adviser may choose not to aggregate orders, if portfolio management decisions for different clients are made separately, if aggregating would be inconsistent with its advisory duties or, in certain cases, if determining to enter individual, separate orders would not be inconsistent with its fiduciary duty. In certain circumstances, not aggregating client orders may result in additional costs including one client having a less favorable execution than another client.

### **Soft Dollars**

During its last fiscal year, the Adviser did not direct any account transactions to a particular broker-dealer in return for soft-dollar benefits. However, the Adviser may purchase from a broker or allow a broker to pay for certain investment research and brokerage services. Although it does not presently utilize soft dollars, in the event that the Adviser utilizes soft dollars, it will do so solely to pay for products or services that qualify as "research and brokerage services" within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended.

The Adviser's relationship with any such broker that provides soft dollar services may influence the Adviser's judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not. The Adviser will have an incentive to select

or recommend a broker based on the Adviser's interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that the Adviser uses soft dollars to pay expenses it would otherwise be required to pay itself.

The Adviser will address any such conflicts of interest by annually evaluating the trade execution services that the Adviser receives, if any, from the brokers that it uses to execute trades for clients. Such evaluation will include comparing those services to the services available from other brokers. The Adviser will consider, among other things, alternative market makers and market centers, the quality of execution services, the value of continuing with various soft dollar services and adding or removing brokers, increasing or decreasing targets for each broker and the appropriate level of commission rates.

#### Directed Brokerage

As a policy, the Adviser does not direct brokerage for client referrals nor does it seek benefits from broker-dealers for client referrals.

The Adviser does not permit clients to direct brokerage.

### **Item 13 – Review of Accounts**

The Adviser generally monitors and reviews the Fund and Managed Accounts on an ongoing basis for overall adherence to the Fund's or each Managed Account's investment objective and strategies, as well as any guidelines or restrictions. Many factors could initiate a client account review other than a periodic review, including (among other possible factors and to the degree applicable) the decision to add or eliminate a particular investment, to balance gains and losses at the direction of the client or Adviser, to raise cash for distribution to clients at their request, to invest new cash contributions in a portfolio, or to alter the asset mix as market conditions dictate.

The Adviser provides monthly statements of account values to investors in the Fund. The Adviser provides quarterly written reports to clients. From time to time, the Adviser may provide ad hoc written reports to clients on topics typically related to market or specific security developments.

Annually, the Adviser assists the Fund in furnishing all investors with (i) audited written financial statements prepared in accordance with generally accepted accounting principles, accompanied by the report of its independent certified public accountants, and (ii) tax information necessary for the completion of tax returns.

## **Item 14 – Client Referrals and Other Compensation**

### **Fund**

Currently, neither the Fund nor its related persons directly or indirectly compensate any person who is not advisory personnel for investor referrals. If in the future the Fund enters into such arrangements, this Brochure will be appropriately amended.

### **Managed Accounts**

The Adviser may enter into arrangements and compensate unaffiliated solicitors for client referral activities. These solicitation arrangements will be fully disclosed to affected clients and will comply with the requirements of Rule 206(4)-3 under the Advisers Act, where applicable. Any compensation associated with such solicitation arrangements will generally be borne directly by the Adviser. For certain Managed Accounts, the Adviser currently utilizes solicitors, some of whom may currently be clients of the Adviser. Solicitors, due to such compensation, have an incentive to recommend the Adviser, resulting in a material conflict of interest.

### **Item 15 – Custody**

The Adviser is deemed under Rule 206(4)-2 of the Advisers Act to have custody of the assets of the Fund as the Manager of the Fund is a related person of the Adviser.

#### **Fund**

The Fund is subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Fund investor. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Fund's fiscal year end. Fund investors are urged to carefully review these financial statements.

#### **Managed Accounts**

For Managed Accounts, the Adviser has custody as defined by Rule 206(4)-2 of the Advisers Act only to the extent that it charges quarterly fees that it can deduct automatically from accounts. Clients receive statements on at least a quarterly basis directly from the account custodians. Clients are urged to carefully review these statements and should compare these statements to any account information provided by the Adviser.

### **Item 16 – Investment Discretion**

The Adviser's IMAs grant it discretionary investment authority over client accounts. See Item 4 regarding client restrictions.

## **Item 17 – Voting Client Securities**

### **Fund**

The Adviser is responsible for voting proxies on behalf of the Fund and it does not permit clients to direct how it will vote on specific proxies. The Adviser may choose to abstain from the exercise of voting rights. The Adviser's basic principle in evaluating any proxy or corporate action is whether a vote in favor is in the long-term interest of the company. In determining what is in the long-term interest of a company, the Adviser takes into account among other matters whether management has the requisite authority to carry out its mandate, whether management is appropriately accountable for its actions, whether management has a sufficient grasp of the company's required long-term strategy, whether the company is being run and governed for the long-term health of its assets, people and competitive position, and whether it is appropriately taking into account social, environment and governance issues. The Adviser's proxy voting policy is designed to ensure that if a material conflict of interest is identified with connection with a particular proxy vote, that the vote is not improperly influenced by the conflict. Conflicts of interest may arise from time to time in relation to proxy voting requirements. The Adviser will consider whether proxies present any potential conflicts. If a material conflict of interest arises, the Adviser will determine what is in the best interests of the client(s) and may take appropriate steps to eliminate such conflict.

### **Managed Accounts**

The Adviser does not vote client securities for Managed Account clients. Managed Account clients will receive proxies and other corporate actions from their custodian(s). Clients may contact the Adviser in writing to ask questions about proxies and corporate actions.

Clients who wish to obtain information about how the Adviser voted their securities or a copy of the Adviser's proxy voting policies and procedures may contact it in writing at the mailing address listed on the first page of this document.

### **Item 18 – Financial Information**

In certain circumstances, none of which are applicable to the Adviser, registered investment advisers are required to provide financial information or disclosures about their financial condition in this Item. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary obligations and has not been the subject of a bankruptcy proceeding.